(a) whether it is a fact that the Managing Director of ITDC had signed a collaboration agreement with a London-based unknown firm owned by a NRI in October, 1984 for setting up a Restaurant in London;

(b) whether such agreements are used as a convenient mode of securing loans from the Indian banks; and

(c) what progress has been made so far under the said agreements and what safeguards are used by the ITDC against misuse of such agreements?

THE MINISTER OF TOURISM (MUFTI MOHD. SAYEED): (a) On behalf of ITDC, Sr. Vice President (Hotels) had signed an agreement with Frontier of Indai Limited (FIL), a registered company in London under the laws of United Kingdom for providing technical consultancy and managerial services for setting up a Speciality Indian Restaurant in London. No financial participation by ITDC was envisaged in the agreement.

(b) No, Sir.

(c) For want of a suitable site, no consultancy services have been rendered by ITDC under the agreement with Frontier of India Limited (FIL).

Reopening of Akbar Hotel, New Delhi

1604. SHRI SURAJ PRASAD: Will the Minister of TOURISM be pleased to state:

(a) whether Government are considering the re-opening of ITDC's Akbar Hotel, New Delhi to mitigate the growing demand of the tourist traffic in the Capital;

(b whether the lease agreement of Akbar Hotel has been transferred to the Ministry of External Affairs by NDMC/Government without compensating the cost of investment made by ITDC; and

(c) if the answer to part (b) above be in the affirmative, what is the justification therefor?

THE MINISTER OF TOURISM (MUFTI MOHD. SAYEED): (a) The Ministry of Tourism had requested the Ministry of External Affairs for transfer of Akbar Hotel back to ITDC. However, Ministry of External Affairs has expressed its inability to vacate Akbar Hotel for the present.

(b) The Draft Lease Agreement is in the process of being finalised by the concerned Ministries. ITDC has preferred claims for compensation so far to the Ministry of External Affairs for Rs. 2558.58 lakhs and Rs. 3650 lakhs.

(c) Does not arise.

Introduction of 'Product Liability Insurance Scheme' by the US Administration

1605. SHRI N. E BALARAM:
SHRI GURUDAS DAS GUPTA:

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the US Administration has introduced a 'Product Liability Insurance Scheme' whereby Indan companies have to pay eight dollars per tyre against an earlier rate of 80 cents;

(b) if so, whether this discriminatory action is for avenging Indian overnment's claims on Union Carbide bide case;

(c) whether Government have taken up the matter with the US Administration; and

(d) if so, with what resuls?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) The US Administration has introduced product liability insurance on certain products including tyres marketed in USA irrespective of the country of manufacture which has resulted in an increase in the premium rates.

(b) No, Sir.